

# 2018 Grace Period Notice

## Flexible Spending Accounts (FSA)

The State of Delaware has adopted the 2½ month grace period for incurring Flexible Spending Account (FSA) claims as allowed by the IRS. This means that you have until March 15, 2019 to incur claims against your 2018 Health Care FSA and Dependent Care FSA. This extension of time to incur expenses reduces the chance for any forfeitures, as every twelve month plan year is, in essence, 14½ months.

### Am I eligible to participate in the 2018 Grace Period?

If you are an active participant as of **December 31, 2018** for the 2018 FSA Plan Year, you may continue to incur expenses through **March 15, 2019** in order to use any remaining funds in the 2018 FSA Plan Year. You do not need to be enrolled for the 2019 FSA Plan Year, effective January 1, 2019, in order to participate in the 2018 Grace Period.

### How are claims applied during the 2018 Grace Period?

All FSA claims for services provided January 1, 2019 through March 15, 2019 will **automatically be applied and processed from the 2018 plan year first** if filed by the claims filing deadline. If your claim exceeds the available funds from the 2018 Plan Year, any excess will be automatically applied to the 2019 Plan Year.

- ↳ **Example 1:** Pat has \$50 remaining in a medical FSA at the end of the 2018 plan year and has no more expenses to submit with dates of service during the actual plan year. Two weeks after the end of the plan year, Pat goes to the dentist and incurs a charge of \$145. Pat submits a claim to ASIFlex. ASIFlex processes the claim and \$50 is applied to the remaining balance from the 2018 plan year, and \$95 is applied to the 2019 plan year's balance.
- ↳ **Example 2:** Pat submits a claim for \$145 in dental expenses, but, knowing that she has a charge from the hospital for services provided during the past year, but has not received the statement yet, Pat wants the entire \$145 to be applied to the current year. Pat includes a note with the claim packet asking to apply the entire dollar amount to the new plan year. ASIFlex applies the entire reimbursement request to the new 2019 plan year.

### When is the deadline to submit claims for the 2018 Grace Period?

The **deadline to submit claims is April 15, 2019** for **ALL** allowable expenses incurred during the Plan Year January 1, 2018 through December 31, 2018 and the accompanying Grace Period January 1, 2019 through March 15, 2019. **After April 15, 2019, your account will be closed and any balance remaining will be forfeited to the State of Delaware in accordance with federal regulations.**

For more information, visit the SBO website at [de.gov/statewidebenefits](http://de.gov/statewidebenefits).

**Contact ASIFlex or Statewide Benefits Office (SBO) with Questions:**



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